

**A Preliminary Resolution of the Common Council of the City of Evansville
Declaring an Economic Revitalization Area for Property Tax Phase-In for
The Construction of Real Property**

Traylor Bros., Inc.

Whereas, Traylor Bros., Inc. (the "Applicant") has submitted a Statement of Benefits and made application for Economic Revitalization Area designation pursuant to IC 6-1.1-12.1 et seq. and Evansville Common Council Resolution C-2002-3 as Amended (the "Tax Phase-In Resolution") for the property located at: See Section 1e.; and

Whereas, said property meets the criteria for designation as an Economic Revitalization Area pursuant to IC 6-1.1-12.1- et seq;

NOW THEREFORE, BE IT RESOLVED by the Common Council of the City of Evansville as follows:

Section 1. The Common Council has reviewed the Statement of Benefits and additional information submitted pursuant to I.C. 6-1.1-12.1 and Common Council Resolution C-2002-3 as Amended and made the following findings:

- a. The estimate of the value for the construction of new real property by the Applicant is reasonable for projects of that type; and
- b. The estimate of the number of individuals who will be employed or whose employment will be retained by the project can be reasonably expected to result from the proposed expansion and renovation of the corporate office; and
- c. The estimate of the annual salaries of those individuals whose employment will be retained by this project can reasonably be expected to result from the proposed expansion and renovation of the corporate office; and
- d. The totality of benefits likely to accrue from this project is sufficient to justify a tax deduction.
- e. The property known as:

835 N. Congress Ave., Evansville, IN 47715

Parcel ID: 82-06-23-015-016-027

FILED

JUL 21 2014

Anna Widner
CITY CLERK

has been found to meet the requirements of an Economic Revitalization Area pursuant to IC 6-1.1-12.1.

Section 2. Based on these findings, the Common Council has determined that the purposes of I.C. 6-1.1-12.1 are served by allowing the deduction and the property described in Section 1.e. (above) is hereby declared to be an Economic Revitalization Area.

[illegible]

1. *Chlorophyll *a** and *Chlorophyll *b** were determined by the method of Arar and Collins (1971).

Section 3. The designation of this Economic Revitalization Areas shall apply to property tax deductions for “real property” as provided in IC 6-1.1-12.1-4.5 and IC 6-1.1-12.1-3.

Section 4. The designation of this Economic Revitalization Area shall be in effect up to and including 2020.

Section 5. The length of deduction to be allowed for this project for “real property” shall be for 5 years for Real Property as described on their SB-1 (and attached hereto) based on the scheduled provided – Real Property based per schedule on Attachment 1.

Section 6. The Statement of Benefits submitted by the applicant and dated June 17, 2014 is hereby approved.

Section 7. Benefits provided by this Preliminary Resolution shall accrue and be valid for any investment made prior to the passage of this resolution, but not before October 1, 2013 as provided by the SB-1 attached hereto.

Section 8. This Resolution shall be in full force and effect from and after its passage by the Common Council, signing by the Mayor, and advertisements, if any, as required by law.

Attachment 1

Real Property Schedule

Parcel ID: 82-06-23-015-016-027

Resolution C-2014-17

Traylor Bros., Inc.

Year	Abatement
1	100%
2	80%
3	60%
4	40%
5	20%
6	0%



Application for Economic Revitalization Area Designation

General Information			
Name of Taxpayer Seeking Phase-In	Taylor Bros., Inc.		
Street Address of Taxpayer	835 N. Congress Ave.		
City, State, Zip	Evansville, IN 47715		
Name of Authorized Representative	Steven S. Owen		
Street Address of Authorized Representative	835 N. Congress Ave.		
City, State, Zip	Evansville, IN 47715		
Phone and Fax	Phone: 812-477-1542; Fax: 812-474-3223		
Proposed Project Information			
Address of Property	835 N. Congress Ave.	Tax Code(s) for Property	09-540-15-115-016
Size of Property (sq)		NAICS Code	234110
City, State, Zip	Evansville, IN 47715	Current Zoning	M-2
Township	Knight	TIF District	Yes <input type="checkbox"/> No <input type="checkbox"/>
Legal Description of Property	82-06-23-015.016-027 Taylor Bros., Inc. Corporate Offices Stockwell Ind. Park L16 & Pt Lts 17, 24 & 25 & Pt Vac St & Pt Vac Alley Knight Township		
Provide a brief description of the applicant's business, including company history, product(s), facilities, sales and corporate growth, and corporate employment. Also discuss any applicable future growth, planned expansions, and/or corporate diversification, where applicable. (You may attach it as "Company Profile")			
Taylor Bros., Inc. is a heavy civil construction contractor specializing in major infrastructure projects such as bridges, tunnels, dams, wharfs, etc. The company was organized in Indiana in 1946 and has grown significantly since that time. In addition to Evansville, the company has offices in Long Beach, CA; Lakewood, CO; Alexandria VA; and other locations construction projects throughout the nation. Now in its third generation of family ownership, the Company prides itself on its culture of safety and ethical conduct. We consistently strive to improve continuously in all aspects of our work, whether in the field at our job locations, or in our home office here in Evansville. Taylor employed 91 people locally as of the end of 2013 and has plans over the next five years for additional growth. Taylor has been ranked one of the Best Places to Work in Indiana for several years.			
Project Overview			
Provide a Detailed Description of the Proposed Project (including how the Subject Property will be used, physical changes made to the property)	Taylor is constructing an expansion of our existing corporate office facility which will be three stories once completed. This will provide space for additional growth in years to come. This expansion will allow Taylor to retain 24 full-time existing employees and will also create 26 unfilled offices/workspaces on the 1st and 2nd floor and the capacity for 22 more offices/workspaces if the 3rd floor is built out. Taylor is also updating and renovating our current office to provide current and future employees a better work environment.		
Will the Project Require Additional Municipal Services or Facilities?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
*If yes please state need			

Employment/Benefit Information						
Project Cost Estimate						
	Current Year	Year 1	Year 2	Year 3	Year 4	Year 5
Purchase of real estate and improvements						
Site preparation	30,000					
Demolition	40,000					
Construction of new structures	520,000	5,630,000	300,000			
Rehabilitation of existing structures		200,000	600,000			
Infrastructure improvements		240,000	900,000			
Architecture & engineering fees	40,000					
Development fees						
Total cost of manufacturing and research & development equipment – new to Indiana						
Total project cost for real estate component of project	630,000	6,070,000	1,800,000			
Has this new equipment ever been installed and in use elsewhere in the state of Indiana?	Yes <input type="checkbox"/> No <input type="checkbox"/>		Date new manufacturing/research & development equipment is to be installed?			

Calendar Year	Number of Current Full-Time Permanent Employees at Project	Hourly/Average Wage W/O Fringe Benefits/Bonuses	New Full-Time Permanent Employees at Project	Number of Part-Time Employees	
3 Years Ago					
2 Years Ago	95	35.34			
1 Year Ago	91	35.80			
Current Year	91	35.53			
Year 1					
Year 2					
Year 3					
Year 4					
If Tax Phase-In were not granted, how many current jobs would be lost or jeopardized? If any, please attach a supporting explanation (attach as "Potential Job Loss")		The project will allow Traylor to retain 24 current positions and will create capacity to add up to 48 new positions.			
Identify the type(s) of work or position(s) of the new employees.	Engineers, Cost Estimators, Human Resources, Professional, etc.	Employees' Educational Requirements (Percentage of new hires)			
		High School Diploma	2 yr Degree/Certificate	4 yr Degree	>4 yr Degree
			10	80	10
Identify the company benefits offered to employees.	Traylor offers paid health insurance, 401k matching, paid vacation days, and numerous other benefits.				
What is the value of these benefits (as a percentage of base pay)?	100%	Does the taxpayer have an affirmative action plan?		Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	

Contribution of Company

In what ways has the company contributed to the improvement of the neighborhood or surrounding area, or participated in community activities or programs?	Traylor Bros., Inc. strives to be a responsible corporate citizen, both in maintaining and beautifying its property, and in contributing to a wide variety of organizations including United Way, Habitat for Humanity, Children's Museum of Evansville, Reitz High School, Juvenile Diabetes Research Foundation, etc.
Is it your intent to use your best efforts to hire local contractors for the building and/or installation of equipment?	Yes, Traylor has hired Key Construction Co.; Alva Electric, Inc.; and Ritzert Co., Inc. to perform the project, designed by Jack R. Kinkel & Son Architects.

*Please attach any additional information that you feel will assist in evaluated this request for property tax phase-in.



Click "Sign" to fill out and sign this form. When you are done, you can save a copy by clicking "Done Signing".

I understand that if tax phase-in is granted for this project, that the Applicant will be required to submit a "Compliance with Statement of Benefits" form annually; and

It is my further understanding that if the Applicant should fail to comply with its commitments in job creation, job retention, project investment and/or any other commitments associated with its tax phase-in application, that the designating body has the right, after conducting a public hearing, to terminate said tax phase-in deductions.

I hereby affirm and certify that the information and representations of fact made in this application are true and complete.

Signature: Steven S. Owen
Digitally signed by Steven S. Owen
DN: cn=Steven S. Owen, o=Traylor
Bros., Inc., ou
email=ssowen@traylor.com, c=US
Date: 2014.07.21 12:29:43 -0500

Title: Secretary and General Counsel

Date: July 21, 2014

For this application to be complete, it must be accompanied by a signed "Statement of Benefits" (State Form 27167) and a check for the appropriate application fee. The check should be made payable to the Growth Alliance for Greater Evansville (GAGE).

Application Fees:

Real Estate Improvements	\$500.00
New Manufacturing or Research & Development Equipment	\$250.00

Application Fee Submitted: _____

Growth Alliance for Greater Evansville
Phone: (812) 401.4243
Email: info@GrowthAllianceEvv.com
www.GrowthAllianceEvv.com

Update: Tuesday, August 13, 2013



STATEMENT OF BENEFITS REAL ESTATE IMPROVEMENTS

State Form 51767 (R2 / 1-07)

Prescribed by the Department of Local Government Finance

20__ PAY 20__

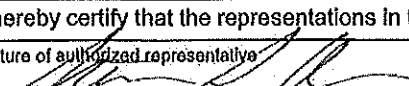
FORM SB-1 / Real Property

This statement is being completed for real property that qualifies under the following Indiana Code (check one box):

- ☐ Redevelopment or rehabilitation of real estate improvements (IC 6-1.1-12.1-4)
☐ Eligible vacant building (IC 6-1.1-12.1-4.8)

INSTRUCTIONS:

1. This statement must be submitted to the body designating the Economic Revitalization Area prior to the public hearing if the designating body requires information from the applicant in making its decision about whether to designate an Economic Revitalization Area. Otherwise this statement must be submitted to the designating body **BEFORE** the redevelopment or rehabilitation of real property for which the person wishes to claim a deduction. "Projects" planned or committed to after July 1, 1987, and areas designated after July 1, 1987, require a STATEMENT OF BENEFITS. (IC 6-1.1-12.1)
2. Approval of the designating body (City Council, Town Board, County Council, etc.) must be obtained prior to initiation of the redevelopment or rehabilitation, **BEFORE** a deduction may be approved.
3. To obtain a deduction, application Form 322 ERA/RE or Form 322 ERA/VBD, whichever is applicable, must be filed with the County Auditor by the later of: (1) May 10; or (2) thirty (30) days after the notice of addition to assessed valuation or new assessment is mailed to the property owner at the address shown on the records of the township assessor.
4. Property owners whose Statement of Benefits was approved after June 30, 1991, must attach a Form CF-1/Real Property annually to the application to show compliance with the Statement of Benefits. [IC 6-1.1-12.1-5.1(b) and IC 6-1.1-12.1-5.3(j)]
5. The schedules established under IC 6-1.1-12.1-4(d) for rehabilitated property and under IC 6-1.1-12.1-4.8(1) for vacant buildings apply to any statement of benefits approved on or after July 1, 2000. The schedules effective prior to July 1, 2000, shall continue to apply to a statement of benefits filed before July 1, 2000.

SECTION 1 TAXPAYER INFORMATION					
Name of taxpayer TRAYLOR BROS., INC					
Address of taxpayer (number and street, city, state, and ZIP code) 835 N CONGRESS AVE EVANSVILLE, IN 47715					
Name of contact person Steven S. Owen		Telephone number (812) 477-1542		E-mail address sowen@traylor.com	
SECTION 2 LOCATION AND DESCRIPTION OF PROPOSED PROJECT					
Name of designating body TRAYLOR BROS., INC. CORPORATE OFFICE				Resolution number C-2014-17 Amended	
Location of property 835 N CONGRESS AVE, EVANSVILLE, IN		County VANDERBURGH		DLGF taxing district number	
Description of real property improvements, redevelopment, or rehabilitation (use additional sheets if necessary) Traylor is building an expansion of its corporate office that will be 3 floors once finished. The company is also renovating current offices. Please see "Other benefits" section for details.				Estimated start date (month, day, year) 10/30/2013	
				Estimated completion date (month, day, year) 08/31/2015	
SECTION 3 ESTIMATE OF EMPLOYEES AND SALARIES AS RESULT OF PROPOSED PROJECT					
Current number 91.00	Salaries \$35.53	Number retained 24.00	Salaries \$35.53	Number additional	Salaries
SECTION 4 ESTIMATED TOTAL COST AND VALUE OF PROPOSED PROJECT					
NOTE: Pursuant to IC 6-1.1-12.1-5.1 (d) (2) the COST of the property is confidential.		REAL ESTATE IMPROVEMENTS			
		COST		ASSESSED VALUE	
Current values		630,000.00			
Plus estimated values of proposed project		7,870,000.00			
Less values of any property being replaced					
Net estimated values upon completion of project		8,500,000.00			
SECTION 5 WASTE CONVERTED AND OTHER BENEFITS PROMISED BY THE TAXPAYER					
Estimated solid waste converted (pounds) _____			Estimated hazardous waste converted (pounds) _____		
Other benefits <p>This project will allow us to retain 24 current employees who are located in trailers and warehouses, and will create 26 unfilled offices/workspaces and the capacity to add 22 more if the 3rd floor is build out. We are recruiting top talent and have a vested interest in making Evansville a great place to live and work. Traylor does this, in part, by contributing to a wide variety of charities including United Way, Habitat for Humanity, JDRF, CMOE, and Reitz High School. Also, Traylor is using local contractors (Key, Alva, and Ritzert) as well as local architects (Jack R. Kinkel & Son) to maximize positive local economic impact.</p>					
SECTION 6 TAXPAYER CERTIFICATION					
I hereby certify that the representations in this statement are true.					
Signature of authorized representative 		Title Secretary and GC		Date signed (month, day, year) 07/21/2014	

FOR USE OF THE DESIGNATING BODY

We have reviewed our prior actions relating to the designation of this Economic Revitalization Area and find that the applicant meets the general standards adopted in the resolution previously approved by this body. Said resolution, passed under IC 6-1.1-12.1, provides for the following limitations:

- A. The designated area has been limited to a period of time not to exceed _____ calendar years * (see below). The date this designation expires is _____.
- B. The type of deduction that is allowed in the designated area is limited to:
- | | | |
|--|------------------------------|-----------------------------|
| 1. Redevelopment or rehabilitation of real estate improvements | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 2. Residentially distressed areas | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 3. Occupancy of a vacant building | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
- C. The amount of the deduction applicable is limited to \$ _____.
- D. Other limitations or conditions (specify) _____
- E. The deduction is allowed for _____ years* (see below).

We have also reviewed the information contained in the statement of benefits and find that the estimates and expectations are reasonable and have determined that the totality of benefits is sufficient to justify the deduction described above.

Approved (signature and title of authorized member of designating body)	Telephone number	Date signed (month, day, year)
Attested by (signature and title of attester)	Designated body	

* If the designating body limits the time period during which an area is an economic revitalization area, it does not limit the length of time a taxpayer is entitled to receive a deduction to a number of years designated under IC 6-1.12-12.1-4.

- A. For residentially distressed areas, the deduction period may not exceed five (5) years.
- B. For redevelopment and rehabilitation or real estate improvements:
1. If the Economic Revitalization Area was designated prior to July 1, 2000, the deduction period is limited to three (3), six (6), or ten (10) years.
 2. If the Economic Revitalization Area was designated after June 20, 2000, the deduction period may not exceed ten (10) years.
- C. For vacant buildings, the deduction period may not exceed two (2) years.

City of Evansville, IN
Tax Phase-in Application Scoring

Real Property

Company Name: Traylor Bros., Inc.

Application Date: 7/21/2014

1. Investment or percent of assets -choose higher points (25 points maximum) 25

Up to \$500,000	0 - 5%	5 points
\$500,001 to \$1 million	6 - 10%	10 points
\$1,000,001 to \$3 million	11 - 15%	15 points
\$3,000,001 to \$5 million	16 - 20%	20 points
\$5 million +	more than 20%	25 points

2. Anticipated new Full Time employment within 5 years (25 points maximum) 0

5 to 20 employees	5 points
21 to 40 employees	10 points
41 to 60 employees	15 points
61 to 80 employees	20 points
81 employees +	25 points

3. If tax phase-in is not granted, how many current jobs would be lost or jeopardized? (30 points maximum) 25

1 to 10 employees	10 points
11 to 20 employees	15 points
21 to 30 employees	20 points
31 to 40 employees	25 points
41 employees +	30 points

4. Wage level - The average county wage = \$18.05/hr for Vanderburgh County determined by Indiana Department Workforce Development. (20 points maximum) 20

= Vanderburgh Co. average wages (+/- 5%)	3 points
6% to 19% > Vanderburgh Co. average wages	7 points
20% > Vanderburgh Co. average wages	10 points
Value of benefits is >= 15% of base pay	10 points

5. Use, reuse, rehabilitation and/or expansion of an existing facility. (15 points maximum) 15

6. Targeted Business - The applicant is deemed a "good fit" for Evansville/Vanderburgh County (i.e. environmentally friendly, high technology industry, enhances economic diversification.) (5 points maximum) 5

7. Appropriate location - Investment made in a targeted area such as a Redevelopment Area or Urban Enterprise Zone, and in an appropriate location as determined by the Comprehensive Area Plan. (5 points maximum) 5

8. Company involvement in, and support for, neighborhood and community activities. (5 points maximum) 5

9. Economic need for, and impact of, requested phase-in. (5 points maximum) 0

Total Points 100

Years 10

SCORING	Max. Length of Deduction
10 or less points	1 year
11 to 20 points	2 years
21 to 30 points	3 years
31 to 40 points	4 years
41 to 50 points	5 years
51 to 60 points	6 years
61 to 70 points	7 years
71 to 80 points	8 years
81 to 90 points	9 years
91+ points	10 years

1

2

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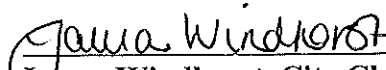
PASSED BY the Common Council of the City of Evansville, Indiana, on the 28 day of July, 2014, on said day signed by the President of the Common Council and attested by the City Clerk.



President of the Common Council, John Friend

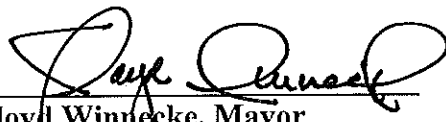
ATTEST: Laura Windhorst
Laura Windhorst, City Clerk

Presented by me, the undersigned City Clerk of the City of Evansville, Indiana, to the Mayor of said city, this 29 day of July, 2014, for his consideration and action thereon.



Laura Windhorst, City Clerk
City of Evansville, Indiana

Having examined the foregoing resolution, I do now, as Mayor of the City of Evansville, Indiana, approve said resolution and return the same to the City Clerk this 30th day of July, 2014.



Lloyd Winnecke, Mayor
City of Evansville, Indiana

APPROVED AS TO FORM
BY TED ZIEMER, CORPORATION COUNSEL

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Report to Mayor and City Council | 2014



Council Meeting 7/28/2014

SUBJECT: The Growth Alliance has worked with Traylor Bros., Inc. on their current project to expand their facility to a three story building and connecting to their original facility. They are also updating their current offices.

Over the last 68 years, Traylor Bros., Inc. has developed into a highly adaptable construction organization with a proven capability to tackle the most difficult bridge, underground, and marine projects. Engineer-managers and craftsman alike follow the lead of their founder, William F. Traylor, Civil Engineer, inspector for the city of Evansville on a compressed air tunnel, officer in the Navy's Pacific Theater Construction Battalion, and finally, in 1946, the co-owner of fledgling Traylor Bros., Inc. Traylor Bros., Inc. is a highly skilled construction company that specializes in bridge, underground, and marine projects. The company was organized in Indiana in 1946. Now they have offices in Long Beach, CA, Lakewood, CO and Alexandria, VA, among other locations, constructing projects throughout the nation and the world.

Traylor employed 91 people locally at the end of 2013 and has plans over the next 5 years for additional growth. Traylor has been ranked one of the Best Places to Work in Indiana for several years.

Traylor Bros. Inc. has requested that Traylor Bros. Inc. be given consideration for tax abatement to real property located at 835 N. Congress Ave. They are adding a 3 story addition to their corporate office and updating their office space. Over a 3 year period they will be investing \$8,500,000 in improvements to their facility (hiring all local contractors), plus architectural fees and furnishings. The expansion and renovation will allow them to retain 24 full time existing employees with an average hourly wage of \$35.34 plus benefits. The Project will also create the capacity to hire additional employees, most of whom will require at least a 4-year degree. The project will create 26 unfilled offices/workspaces on the 1st and 2nd floor and the capacity for 22 more offices/workspaces once the 3rd floor is built out.

Reasons to provide tax abatement:

- Strength of the Company and the History with the City of Evansville
- Strength of wages paid at the corporate office
- Investment in the Community
- Good Corporate Citizen and Culture
- Use of Local Contractors
- International Firm – Can speak to how Evansville “works with Businesses”

FILED

JUL 21 2014

Anna Widhewitz
CITY CLERK

Traylor Bros. Inc. has started construction of the facility not knowing who to ask or that they would qualify for abatement. However, the improvements have not been assessed as of this writing. A new employee, in tax accounting, suggested they pursue the issue with the Growth Alliance, which is why the Growth Alliance received the call.

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Report to Mayor and City Council | 2014

Fiscal Impact: Total, positive, Economic Impact of this project for Evansville is:

\$173,779,053 over the next 10 years; or, over \$17 million/year.

Recommendation: A standard 5-year tax abatement (100% - Year 1; 80% - Year 2; 60% - Year 3; 40% - Year 4; 20% - Year 5 and; 0% Year 6) for real property would provide a direct impact of \$765,000 to Traylor Bros. Inc. over five years while providing the community with a positive impact of over \$1 million in new revenues plus the added COIT that will not be impacted by the abatement.

The total value to Traylor would be approximately \$765,000 and the project would generate a positive, Economic Impact of over \$17 million per year for Evansville.

By providing a 5 year tax phase-in for the project at this time, we have the opportunity to work closely with Traylor Bros., Inc.'s. It is our hope to capture additional jobs and investment by working closely with company representatives, utilizing their knowledge, their contacts and their extensive network in other areas of the country and internationally.

Attachments:

Preliminary Resolution C-2014-17 Amended
Application for Economic Revitalization Area Designation
Form SB-1/Real Property
Scoring sheet for Real Property

For additional information contact:

Chris Kinnett, Business Development Director
Growth Alliance for Greater Evansville
812 492 4384 - <mailto:chris@growthalliancevv.com>

